

MOTION BY SUPERVISORS KATHRYN BARGER
AND JANICE HAHN

MARCH 19, 2019

**EXPLORATION OF A MEDIUM-SIZED BUSINESS ENTERPRISE PROGRAM FOR
LOS ANGELES COUNTY CONTRACTS**

Los Angeles County (LACO) has the distinct status of having both the largest population and economy of any county nationwide, both of which are comparable to, and even surpass those of entire states and foreign countries. With a nominal GDP of over \$700 billion and a population of over 10 million, there exists an opportunity to expand LACO's economic focus towards creating opportunities that help growth and transition of local businesses from small to medium, and from medium to large.

To support businesses employing less than 100 people and making an average of \$15 million annually or less over a three-year period, the Department of Consumer and Business Affairs currently offers a small-business enterprise program for County contracts, complete with bid-pricing preferences, support for minority and disabled veteran-owned businesses, and an entire website containing comprehensive information on resources and benefits available to "small" businesses meeting these general criteria.

The intent of this motion is to strengthen and encourage the growth of our local business community with a focus on small and medium size business through enhancements to County contracting opportunities and existing business support structures. This includes expanding the County's efforts to include those local businesses above the "small business" threshold who would nonetheless still struggle to competitively bid for County contracts against well-established and large firms. These efforts look to leverage procurement opportunities to create a *Ladder of Growth* that helps businesses grow from small to medium and from medium to large, and simultaneously harness the expertise of the large business community by encouraging partnerships with medium and small businesses.

- M O R E -

MOTION

SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

BARGER _____

HAHN _____

WE, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:

Direct the Department of Consumer and Business Affairs, in consultation with County Counsel and all other applicable departments, to report back in 90 days with an analysis and a proposed framework for a Los Angeles County Business Ladder of Growth program that supports growth for local small business enterprises and medium business enterprises along the business continuum. The proposal should include but not be limited to:

1. Analysis of current Local Small Business efforts, business Mentor-Protégé Programs and medium-sized business enterprise programs in other jurisdictions, locally and nationally, in an effort to identify points of leverage and opportunity for the proposed framework;
2. Assess the feasibility of implementing incentive programs to encourage large enterprises to partner with medium and small businesses, including authorizing the Director of the Department of Public Works to pursue a pilot program;
3. Identify any relevant components to develop the proposed program, including but not limited to requirements for participation and a definition for a Medium-Size Business Enterprise;
4. Identify and provide recommendations for any potential amendments to relevant ordinances, legislation, policies, and contract language in support of this effort;
5. Identify and provide recommendations for tracking, data collection and analysis; and,
6. Identify opportunities for legislative action related to inclusion of state and federal funds for preference programs.

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